At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, July 2, 2002, the following members were present:

Gary Feland, Chairman Jay Stovall, Vice Chairman Bob Anderson, Commissioner Matt Brainard, Commissioner Bob Rowe, Commissioner

> APPEARANCE Steve Vick Utility Division

(279) In the matter of Qwest Communications, Docket No. N2002.6.69; On June 17, 2002, Qwest filed tariff transmittal 02-18. Qwest proposes to run a promotion for Advanced Digital Switched Service (DSS), Uniform Access Solution (UAS), and ISDN Primary rate Service (PRS). Customers subscribing to one of the three will have a 30 month contract option available. The DSS and UAS option will be priced at \$850 per month and ISDM PRS at \$990 per month. These bundle prices include the DS1 facility, 24 trunk connections, and with ISDN PRS it also includes the service configuration. The promotion period will begin July 15, 2002, and run through October 11, 2002. Commissioner Rowe moved to approve the promotion. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE Wayne Budt, Administrator Transportation & Centralized Services Division

(280) In the matter of the approval of Commission Minutes; Commissioner Stovall moved to approve the Commission Minutes for the week of June 24, 2002. Commissioner Rowe seconded the motion, which passed unanimously.

(SEAL)

148

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, July 2, 2002, the following members were present:

Gary Feland, Chairman Jay Stovall, Vice Chairman Bob Anderson, Commissioner Matt Brainard, Commissioner Bob Rowe, Commissioner

APPEARANCE Martin Jacobson

(281) In the matter of the Commission's discussion of the Commission's Report to the 58th Legislature on Continuation of the Gas Universal Systems Benefit Program, Docket No. D2002.2.18; Commissioner Anderson moved to issue the report with edits to include NorthWestern Energy's comments. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE Lisa Swanson

(282) In the matter of the Commission's discussion of Fairmont Hot Springs Resort's Application for Initial Sewer Rates, Docket No. D2001.12.173; Commissioner Brainard moved to vacate the hearing set for July 8, 2002 (due to a Settlement Agreement entered by the parties). Commissioner Rowe seconded the motion, which passed unanimously.

APPEARANCE Martin Jacobson

(283) In the matter of the Commission's discussion of MidRivers Extended Area Service (EAS) with the Billings Region, Docket No. D2001.11.147; Commissioner Stovall moved to accept the previous community of interest studies. Commissioner Rowe seconded the motion, which passed unanimously.

APPEARANCE Monica Tranel

(284) In the matter of the Commission's discussion of Qwest Communications and KMC Telecom V, Inc.'s Application for Approval of Interconnection Agreement, Docket No. D2002.3.37; Commissioner Rowe moved to approve the agreement subject to the parties filing an amendment adding paragraph 9.2.2.16 of the Fourth SGAT to this Agreement. The Commission also notes that the parties may update the agreement to take advantage of SGAT modifications made in the 271 process. Commissioner Stovall seconded the motion, which passed unanimously.

In the matter of the Commission's discussion of Qwest Communications and Premiere Network Services, Inc.'s Application for Approval of Interconnection Agreement, Docket No. D2002.3.32; Commissioner Rowe moved to approve the agreement with an amendment reflecting the addition of paragraph under Section 9 regarding fill orders, and noting that parties to interconnection agreements may take advantage of SGAT modifications made to reflect Commission orders over the course of the 271 process. Commissioner

Brainard seconded the motion, which passed unanimously.

In the matter of the Commission's discussion of Qwest Communications and VoiceStream Wireless Corporation's Application for Approval of Interconnection Agreement, Docket No. D2002.3.28; Commissioner Rowe moved to approve the agreement without modification. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE Kate Whitney

(285) In the matter of the Commission's discussion of Qwest Communication's Application for Approval of Section 271 of the Telecommunications Act, Draft report on omnibus wrap-up issues, Docket No. D2000.5.70; Commissioner Rowe moved to issue the report on omnibus wrap-up issues. Commissioner Anderson seconded the motion, which passed unanimously.

APPEARANCE Martin Jacobson

(286) In the matter of the Commission's discussion of Interest on Customer Deposits Rule Amendment, Docket No. L-02.1.1-RUL; Commissioner Rowe moved to adjust the interest rate to six percent. Commissioner Anderson seconded the motion, which passed unanimously.

APPEARANCE Martin Jacobson

(287) In the matter of the Commission's discussion of Protective Order Rule Amendment, Docket No. L-02.6.3-RUL; Commissioner Brainard moved to publish the proposed rule amendment. Commissioner Rowe seconded the motion, which passed unanimously.

APPEARANCE Steve Vick, Wayne Budt

(288) In the matter of the Commission's discussion of salaries for exempt employees; Commissioner Brainard moved to increase the salary by \$5,000 annually each for Will Rosquist and Mike Lee. Commissioner Stovall seconded the motion, which passed unanimously.

151

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, July 2, 2002, the following members were present:

Gary Feland, Chairman Jay Stovall, Vice Chairman Matt Brainard, Commissioner Bob Rowe, Commissioner

Commissioner Anderson was absent but left written votes on the first two issues with the Commission Secretary.

APPEARANCE Monica Tranel, Kate Whitney

(289) In the matter of the Commission's discussion of Qwest Communications Application for Approval of Section 271 of the Telecommunications Act (QPAP), Docket No. D2000.5.70; Commissioner Rowe moved to accept the revised QPAP, noticing the language in 16.1 and 16.1.1 for comment and review at the sixmonth review, including language in 15.6 concerning Qwest's advance into the fund of \$50,000, amending 16.1 to strike "Qwest" and insert "either party", and in 15.1 allowing other parties to request an audit. Commissioner Stovall seconded the motion, which passed unanimously. Commissioner Anderson voted aye.

APPEARANCE Monica Tranel, Mike Lee

(290) In the matter of the Commission's discussion of Qwest Communications Application for Approval of Section 271 of the Telecommunications Act, Final Report on Public Interest, Docket No. D2000.5.70; Commissioner Rowe moved to issue the Final Report on Public Interest. Commissioner Brainard seconded the motion, which passed unanimously. Commissioner Anderson voted aye.

APPEARANCE Steve Vick, Wayne Budt

(291) In the matter of the Commission's discussion of personnel issues – exempt employee salaries; Commissioner Rowe moved to grant the same \$5,000 increase to Kate Whitney, Eric Eck and Robin McHugh that were granted to Mike Lee and Will Rosquist). The motion died for lack of a second.

Commissioner Rowe moved, that in the event of an across the board pay increase in FY 2003, to grant the same to exempt employees. Commissioner Brainard seconded the motion, which passed with a vote of 4-0. Commissioner Anderson did not leave a vote on this issue.

MinutesJuly 2, 2002	1:30 p.m.
There being no further business to come before	re the Commission the meeting was adjourned.
	GARY FELAND, Chairman
	JAY STOVALL, Vice Chairman
	BOB ANDERSON, Commissioner
	MATT BRAINARD, Commissioner
ATTEST:	BOB ROWE, Commissioner
Rhonda J. Simmons Commission Secretary	
(SEAL)	